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ABSTRACT

The purpose of this paper is to provide some background to the school finance problem in Connecticut, to digest parts of three financial reports, and to provide a framework for further discussion. The reports were sponsored by the Connecticut Education Association, the Governor's Commission on Tax Reform, and the Education Finance Study Commission of the Connecticut State Legislature. Each group studied the problem for many months, issued its report, and then awaited governmental action. The findings, conclusions, and recommendations of each study were very similar. No action has yet been taken. Two concepts supply the background to the discussion: equal educational opportunity and fiscal neutrality. The concept of equal educational opportunity, though always fuzzy, is the concept of educators and implies that more money be spent on children with special needs. Fiscal neutrality, the standard of lawyers, would guarantee to every town the same number of dollars per pupil for any school mill rate that town chose to levy. It is judicially manageable and does not destroy the concept of local financial control; however, it addresses itself strictly to finance problems and not to educational problems. Each of the three studies mentioned proposes something like the fiscal neutrality plan. (Author/IRT)

A REVIEW AND COMMENT ON THREE RECENT STUDIES OF CONNECTICUT SCHOOL FINANCE

Thomas H. Jones

In recent years there have been three separate studies of Connecticut's system for financing elementary-secondary education. The first of these studies, published in 1972, was conducted by the Connecticut Education Association.[1] The second study was made by the Governor's Commission on Tax Reform and was also completed in 1972.[2] Education Finance Study Commission of the Connecticut State Legislature made its report in 1975.[3] Each group studied the problem for many months, issued its report, and then awaited governmental action. The findings, conclusions and recommendations of each study were very similar. But no action has yet been taken.

What are the problem with Connecticut's school financing system? Why have the problems surfaced at this time? What are the recommendations of these study commissions? What are some of the concerns which must be met in dealing with the problem?

The purpose of this paper is to provide some background to the school finance problem, to digest parts of the three financial reports in an understandable way, and to provide a framework for further discussion.

The Problems - Legal, Educational, Financial

Over two-thirds of Connecticut's revenues for education are raised at the local level. Slightly less than one quarter are raised at the state level. And a very small percentage comes from the federal government. (See Table 1). The state and federal funds are passed on to local towns through complex formulas.

TABLE 1

REVENUES FOR ELEMENTARY-SECONDARY EDUCATION

	Local	State	Federal
Connecticut	73%	24%	3%
U.S. Average	50%	44%	6%

The problem areas arise with the locally raised funds. Simply put, the problem is this: because towns vary widely in their property tax bases some towns have a much more difficult time than others in raising funds for education. Sterling, the poorest town in the state, can raise only $174 per pupil with a tax of ten mills. Property rich Greenwich, on the other hand, can raise $1566 - nine times as much money with the same tax rate. While this 9 to 1 difference is the most dramatic one in Connecticut, towns are very unequal in their capacities to tax and spend for education. Differences of 2 or 3 to 1 are common. Wallingford is the middle case at the median for the state as a whole. (See Table 2).

TABLE 2

PER PUPIL TAX REVENUES FOR POOR, AVERAGE, AND WEALTHY TOWNS

Town	Assessed Evaluation Per Pupil	Yield Per Pupil From a Local Property Tax of 10 mills
Sterling	$17,441	$174
Wallingford	42,746	427
Greenwich	156,564	1,566

Although the poorer towns usually tax themselves at higher rates they cannot raise as much money per pupil as the wealthy towns taxing at lower rates. As a result of these differences among towns, some children receive a very enriched educational program while others receive a program well below the minimum many people believe to be adequate. For instance, Sterling's expenditure in 1972-1973 was $709 per pupil while the Greenwich expenditure was $1,429 per pupil in the same year.

Connecticut's present school aid system does not do much to reduce these differences. Each town receives a general purpose grant of $250 per pupil plus other smaller grants for special purposes. But in no case is the state's grant to the town based on town's ability to support education through the local property tax base.

Even in states which use more up-to-date school aid systems, tax and spending differences of this magnitude exist. Therefore, Connecticut's situation is by no means unusual among the states.

Many developments in school finance have occurred outside our state. And since these developments directly influence Connecticut's current situation, we will degress a bit here to consider the national scene.

Since the beginning of the century, educators have been concerned with tax and spending inequalities.[4] School finance experts, usually professors at the nation's most prestigious universities, occasionally have been called into states to study their school financing problems. Working together with legislators and educators, the school finance expert would direct the study, issue a report, then go on to another state and repeat the entire process. Since the 1920's literally scores of state studies have been done in this manner.[5]

Before the 1970's, however, complete elimination of tax and spending inequalities was thought by most leaders in school finance to be undesirable. And study recommendations virtually insured that some inequalities among towns would continue to exist.

The so-called "lighthouse theory" provided a population rationale for tax and spending differences.[6] And the theory in various forms is still popular today.

Briefly stated, the lighthouse theory requires local tax autonomy in order to insure a high degree of educational innovation and adaptability. According to the theory, a single leader school wanting to pioneer a new educational program, imposes a local tax to finance this program. The beacon from this first school then lights the educational shoreline. As the years pass more and more schools tax and spend extra amounts to emulate the first school's success. Finally the (once) new and innovative program becomes standard practice and its cost is incorporated into that state's per pupil aid.

With the increased level of state support, the leader school is able to finance still newer and better educational programs. And the process repeats itself endlessly.

By the late 1960's, however, many school finance experts had become thoroughly unimpressed with the lighthouse theory. They concerned themselves instead with the vast differences among towns in taxing and spending. And they grew concerned because some White, high-income suburban communities tended to have higher per pupil expenditures and lower tax rates than other, less fortunate communities. The lighthouse theory seemed to imply that the rich stay ahead of the poor.

At this point the judicial activists entered the school finance field. Disappointed the state legislatures had not eliminated these tax and expenditure inequalities, judicial reformers decided to take a new tack. They claimed that the existing methods for financing schools were unconstitutional, that the courts must overthrow these systems, and that the courts must place in their stead a financing system which guaranteed each student "equal educational opportunity".

The legal rationale used by the judicial activists will not be discussed here. Suffice to say that they based their cases on the factual situations outlined above (which were about the same in every state) plus previous court decisions in related areas. These previous decisions had outlawed racial discrimination in education, geographical discrimination in the establishment of election districts, and wealth discrimination in the treatment of criminals.[7] These activits were, frankly, heartened by the liberal decisions handed down by the Warren Court in these other areas of social life.

They hoped for a similarly liberal decision in the area of school financing.

The early court challenges - the ones in the 1960's - were markedly unsuccessful.[8] No one could quarrel with the facts: the vast tax and spending inequalities. But the legal reasoning was novel at that time and the "remedy" suggested by the plaintiffs in these cases seemed to be a cure judicially less acceptable than the disease itself.

The legal remedy - a state financing system to create equal educational opportunity - was not found to be required by the courts. First, the courts said the term "equal educational opportunity" is not a judicially manageable standard. There is no agreement on the definition of the term. And even if the term could be defined in a clear and unambiguous way, there is no sure educational method of achieving it.

Second, while the definition of equal educational opportunity was by no means clear, the definitions proposed to the courts seemed to require that the state control the raising and spending of all funds for education. One hundred percent state financing struck squarely at prized tradition of local control. The courts found local control an acceptable state objective, even if it resulted in tax and spending differences among school districts. For both these reasons, then, the courts decided they could not and should not define equal educational opportunity or require its imposition.

These judicial decisions in the 1960's left states the option to design new school financing systems or keep the old systems. And the late 1960'ssaw few major changes in state school finance.

Undaunted, a new group of activists tried a new line of legal attack. This time they were much more successful.[9] And it is important to note how this so-called "second generation" of school finance cases - the ones in the 70's - differ from the first general cases.

The major problem with the first generation cases was the standard of equal educational opportunity. Therefore the legal reformers proposed a new standard which they called "fiscal neutrality". Although much less ambitious than the equal education opportunity standard, the fiscal neutrality idea had the advantage of being judicially manageable.

Briefly stated, the standard of fiscal neutrality requires that expenditures per pupil must "...not be a function of wealth other than the wealth of the state as a whole".[10] That is, a given tax rate must provide to every town within a state the same number of dollars per pupil as it would to every other town within that state. Put another way, each state must create a financing system whereby towns do not vary in their tax bases per pupil.

Returning to the Connecticut scene, Table 3 presents one way the fiscal neutrality standard might work here. This is the method envisioned by judicial activists and, to a certain extent, by the three commission reports on school financing.

TABLE 3

ONE METHOD FOR ACHIEVING FISCAL NEUTRALITY

Town	Yield Per Pupil from a Local Property Tax of 10 mills	+	State Aid Per Pupil	=	Total Expenditure Per Pupil
Sterling	$174		$1392		$1566
Wallingford	427		1139		1566
Greenwich	1566		0		1566

While illustrating the principle, Table 3 above is a somewhat simplified example. In practice, the amount of state aid to any town would be based on two factors: its tax <u>base</u> per pupil and its tax <u>rate</u>. Local towns would be perfectly free to adjust their tax rate in any way they wished. For instance, if a town wanted to tax five mills instead of ten it would spend half of $1566 or $783. The only stipulation is that all towns which tax the same amount also spend the same amount per pupil.

Many state courts across the country appear to have upheld the fiscal neutrality standard, although the precise details of the standard - how far the courts will go in enforcing it - are still unknown. In New Jersey, California, and several other states, legislators and governors are under legal pressure to adopt this system or some other "fiscally neutral" system.[11] In several other states, however, the courts have not required the fiscal neutrality standard. Specifically, they have said that the present system is acceptable judicially.

In Connecticut we still await a ruling on this matter from the state's highest court, the Connecticut Supreme Court. The Superior Court of Hartford County, however, has ruled that the present system violates the state's constitution.[12] The present system assures that school spending in one town will be lower than spending in another town, even though tax effort may be the same in both.

There is a crucial difference, however, between the two standards of equal educational opportunity and fiscal neutrality. The concept of equal educational opportunity, although always fuzzy, seems to imply that more money be spent on certain types of children with special needs. Notable among these are children with mental and physical handicaps and children from culturally deprived low income families. Among educators and much of the public it is accepted that these children should be enrolled in enriched and higher cost educational programs.

Fiscal neutrality was the standard of lawyers, not educators. They believed that the towns with low tax base were also the towns with high concentration of children with special needs. Thus, they thought that while the two standards were difrerent legally they were the same educationally. The same groups of children would be helped either way. While the notion that 'poor' and deprived people live in 'poor' towns makes intuitive sense, it simply isn't always so.

On one hand, many high income bedroom suburban communities are property poor. This phenomenon is due to the fact that high income communities often zone out high tax revenue producing business and commercial enterprises. And single family homes on one or two acre lots don't by themselves produce much tax base.

Secondly, some of the neediest children live in cities and towns which, by some measures of tax paying ability, are fairly well-to-do. For instance, Stamford, Hartford and New Haven are wealthier than state average in their property tax base per pupil. Bridgeport and Waterbury, on the other hand, are below the state average. Even with respect to personal income per household, several of the cities are wealthier than many of the suburban and especially rural towns.

For example, the towns in Griswold, Groton and Lisbon have a higher median family income than three of Connecticut's five largest cities, but lower median family income than the other two.[13]

Cities do contain a large percentage of the state's low income population. And students from low income, deprived environments tend to be the most expensive to educate. On the other hand, a large percentage of city students are enrolled in non-public schools and this relieves the city taxpayer. Thus, while many of the state's educational problems are associated with central cities, the financial picture is very mixed.

It is important, therefore, to re-emphasize specifically what the fiscal neutrality standard is, since this is the standard which the Connecticut Supreme Court may require at a minimum. Fiscal neutrality would guarantee to every town the same number of dollars per pupil for any school mill rate that town chooses to levy. In this way school spending would "...not be a function of wealth other than the wealth of the state as a whole".

The fiscal neutrality standard has been successful in court because (1) it is judicially manageable; that is, the courts can determine clearly and unambiguously if it has been achieved, and (2) it does not destroy the concept of local financial control. But the neutrality standard addresses itself strictly to finance problems and not to educational ones.

Legislatures could provide extra money for children with special educational needs. Such plans will not be rejected by the courts. But the courts will not require such plans, at least under the fiscal neutrality standard. The standard, then, does not seem to assure equal educational opportunity in any generally accepted sense of that term.

This unexpected difference between "fiscal neutrality" and "equal educational opportunity" has caused no small amount of alarm and disarray among lawyer and educator activists.

The Proposals for Reforming Connecticut's School Financing System

The three reform proposals themselves have relied heavily on the factual as well as the legal and educational considerations discussed above. They have also attempted to consider the practical and political dimensions of the problem.

A detailed summary of the conclusions and recommendations of each commission would require many pages. Persons interested would be well advised to read the reports themselves. Here only a few general conclusions will be highlighted.

At the heart of each commission's proposal is a financing plan something like the fiscal neutrality plan described in the previous section. The legislative commission report, the most recent of the three, recommends a plan exemplified in Table 4. Each town raising less than $547 per pupil with a tax of ten mills would be guaranteed at least that amount. Towns like Greenwich raising more than $547 with a tax of ten mills would be allowed to spend the excess on their pupils. But they would receive no additional state funds under this part of the new program.

TABLE 4

SCHOOL SPENDING SYSTEM ADVOCATED BY THE LEGISLATIVE COMMISSION ON SCHOOL FINANCE: A HYPOTHETICAL EXAMPLE FOR THREE TOWNS

Town	Yield Per Pupil From a Local Property Tax of 10 Mills	+	State Aid Per Pupil	=	Expenditure Per Pupil
Sterling	$174		$373		$547
Wallingford	427		120		547
Greenwich	1566		0		1566

It is important to note that while this plan would reduce disparities among towns, it would not provide full equalization. This is evident by comparing Table 4 with Table 3. In the previous table each town taxing at a 10 mill rate would be provided with the full $1566 per pupil - the Greenwich level. Under the legislative commission plan, towns raising less than $547 per pupil with a tax of ten mills would be brought up to that level but they wouldn't get any additional equalization money. In effect, the plan reduces state disparities from the range of about 9 to 1 to the range of just under 3 to 1.

The legislative commission recommended their plan because of cost considerations. Less equalization is less expensive. Equalizing at the Greenwich level would cost, perhaps, three times as much.

Again the tax of ten mills is purely a benchmark. Towns could impose any mill rate they chose. For instance, if Sterling or Wallingford chose a 5 mill rate instead of a 10 mill rate, base expenditures would be half of $547 or about $274. This would be accomplished because both local tax yield and state aid would be halved. If Sterling or Wallingford doubled their tax rate from ten mills to twenty, then both would spend $1094 and state aid to each town necessarily would double under the plan.

But no matter how their tax rates were adjusted, Greenwich and other very wealthy towns would get no state aid under this portion of the aid system. Such towns, however, would receive substantial aid amounts for other state education programs.

This new program, if enacted in 1972-3, would have cost the state about $113 million. (Problems with estimation of this figure will be discussed in the next section). Although the bulk of the funds would have gone to address the "fiscal neutrality" problem the commission was also very much aware of the "equal educational opportunity" problem. It asked for the following:

urban education aid	$10 million
increased special education aid	$6.6 million
increased aid for the culturally deprived	$7 million

It also mentioned the need for a cost of living adjustment and revision in current aid for school construction, school bus transportation, vocational education. It did not attach a price tag to these latter recommendations, however.

The financing recommendations of the other two commissions follow a very similar format, although the costs are quite different. Part of this difference is due to the years in which the studies were done. And part is due to differences of the composition of each study group.

For instance the Connecticut Education Association report recommends spending much more money than the legislative commission recommends, bringing spending levels of all towns much closer to the Greenwich level. That report suggests a broad based personal income tax to finance it all.

The Governor's Commission on Tax Reform suggests that resolution of the problem is possible without a personal income tax, if the state is willing to take many years to phase in the plan. In the early years the "fiscal equalization" level would be well below that advocated in the legislative commission report. Slowly over time, however, state aid would increase greatly for the "Sterlings"; increase less for the "Wallingfords", and not at all for the "Greenwiches". Another feature of the Governor's Commission plan would require that towns with great property wealth transfer some of their school revenues to towns having little property wealth. Through a combination of natural growth in state revenues and a system of inter-local revenue transfers, the problem would be resolved towards the end of this century.

These two earlier commissions also recognized the distinct nature of the equal educational opportunity problem, and advocated special treatment for those whom they believed to be in special need.

Analysis of the Commissions' Recommendations

Any major change in the state's school finance law would have consequences of its own. Insofar as possible, these consequences should be anticipated in advance to provide for proper planning. Fortunately, the very type of financing system proposed for Connecticut has already been in place for many years in several other states. Therefore, the experiences elsewhere in the nation may provide some insights about what would happen here.

First, it should be noted that no study in Connecticut or elsewhere has adequately defined or measured equal educational opportunity. At this point in time all recommendations for extra aid to children with special "needs" are necessarily subjective recommendations. This problem is likely to be with us indefinitely. Continuing studies need to be done. But lack of knowledge should not be an excuse for current inaction in this area.

The following observations, however, will focus on the "fiscal neutrality" portion of the commissions' recommendations. This seems appropriate since all commissions would devote the bulk of the state's funds to this problem. And this is the problem which the courts have considered to be pressing.

The consequences of enacting into law the commissions' recommendations fall into two broad categories: technical and substantive. First the technical aspects will be discussed, then the substantive ones.

On a technical level, it is fundamental to realize that state school aid to towns would be based on each town's assessed property value per pupil relative to the same statistics in other towns. Towns with lower property value behind each pupil will get more state aid; towns with higher property value behind each pupil will get less state aid. It is imperative, therefore, that statistics on assessed valuation per pupil be available on a uniform town-by-town basis across the state.

At present no uniform statistics are available in Connecticut. Each town is nearly autonomous with respect to the assessment practices it uses.

Table 5 illustrates how the lack of these uniform statistics would lead to a maldistribution of state education aid. Consider two hypothetical towns where each town contains only two pieces of real estate. For each property there are two relevant statistics: (1) what it could be sold for on the open market: its market value and (2) its recorded value on the town's grand list: its assessed value. On Table 5, the market value figures are placed in parentheses. This is due to the fact that, unless a property has been sold very recently, its true market value is not really known. True market value must be estimated and the assessed value is expressed as a percentage of true market value.

TABLE 5

MARKET VALUES AND ASSESSED VALUES OF PROPERTY
IN TWO HYPOTHETICAL TOWNS

	Town A Market Value	Town A Assessed Value		Town B Market Value	Town B Assessed Value
Property 1	($100,000)	$70,000	Property 1	($100,000)	$60,000
Property 2	(50,000)	35,000	Property 2	(50,000)	30,000
Total	($150,000)	$105,000		($150,000)	$90,000

Current state law will require all towns to assess their property at 70% of market value. (Towns have until the mid 1980's to conform with this law). It is obvious that in the little example above Town A is complying with the new law, while Town B is not. Town B is assessing at 60% of market value.

But even if this law were in effect fully at the present time, Town B's lower assessment ratio would not necessarily constitute ignorance or malfeasance on the part of its local town officials. Property in the second town might have risen in value since the last general assessment. Or it genuinely might be difficult to determine what a property is worth on the open market.

Furthermore within Town B the system is perfectly fair since both properties are being assessed at 60% of market value. And within Town A the system is equally fair since both properties are assessed at 70%.[14]

The problem arises when comparisons are made between the towns. Assuming that both towns have the same number of pupils and that they are taxing at the same rate, both towns should receive the same amount of state education aid under the proposed new system. But in fact B would get more than A. Why? Because the "true facts" - the actual market values - are not known. The only thing which is known are the assessed values and on that statistic Town B looks poorer - hence more needy than Town A.

Studies of property tax administration in Connecticut have shown that variations among the towns are very often much wider than are the variations in the example above. Some towns are assessing property at 100% of market value while others are assessing at 30-40%.[15]

The situation may improve somewhat with the new legal requirement that all towns assess at 70% of market value. But experts agree that the new law is not, by itself, likely to take care of the problem.[16] The enforcement provisions are weak.

Probably more important than these existing assessment variations, is what the new proposed school aid law would encourage, if enacted without proper safeguards. The school aid changes would foster what tax economists call "competitive underassessment". Through these proposals the state, in effect, would say to the towns, "the lower your property valuations the more school aid your town gets". Naturally this creates an incentive for all towns to underassess their property. Those towns which are relatively more "successful" than other towns in underassessing their property will win the race to the state treasury. Of course, school aid considerations shouldn't influence property tax assessments, but local officials would not want to be put in the way of such civic temptation.

There are problems in school finance relatively easy to solve. And this competative underassessment problem is one of them. The state should create a Board of Assessment Supervision. This board could make annual sales ratio studies to produce closer approximations to equalized valuations and tax rates for grant purposes. Towns consistently underassessing (or overassessing) their property could continue to do so for local purposes, but their state school aid would not be increased(or reduced) as a result.

Every one of the three study commissions has recommended establishment of this state board as the first order of business in school finance reform.

Under the commissions' proposals, all estimates for the state's school financing costs are based on two factors: (1) differences among towns in their property tax bases and (2) what the towns, in the aggregate, decide to spend on their schools. Lack of facts in these two areas create another technical problem: the impossibility of knowing the true costs of any school finance reform which has been proposed.

The property tax administration problem has had ample discussion above. But local spending problem has not yet been covered.

All the tables above have assumed, hypothetically, a tax of ten mills levied at local choice. However, this ten mill rate is only one possibility. Under the commissions' plans, the towns could impose any tax rate they chose.

The equalization plans in effect, say to each town, "the state will bear a fixed percentage of whatever amount your local town wishes to spend". This is known as a "reward for effort" formula.

In Sterling, the lowest tax base town, the state would pay more than two-thirds of the total education bill, however high that bill may be. In Wallingford, a town of average wealth, the state would bear only about 22% of the cost under this portion of the legislative commission's plan. Greenwich would get nothing under this plan.

In computing their cost estimates the legislative commission assumed (1) that local property tax data supplied by the towns was accurate, and (2) that they could estimate how the new state aid procedure would effect towns' spending preferences. (The assumption was that towns would use about half of their new equalization aid for tax relief and about half for increased education spending). But would additional state education aid stimulate or supplant local spending? The "Sterlings" would get $4 from the state every $1 they raise locally. The "Wallingfords" would have about $.25 out of every additional dollar they spend paid for by the state.

On the other hand towns need not spend more money. Instead they might reduce their tax effort. This reduction, in turn, would reduce state education spending.

In other words towns could raise more money for education and some towns would be on advantageous terms in doing so. Alternatively towns could reduce local taxing, thereby reducing their state aid. To what extent towns would take advantage of these features is unknown.[19]

The study commissions were very aware of this problem too. They made the soundest possible judgments in estimating the cost of their programs. But the reward for effort formula makes state financial planning very difficult. In practice few states which have used the reward for effort formula have been able to keep it for long.[18] Local spending desires simply outrun the states' treasuries. But whether this would happen in Connecticut in the 1970's is uncertain.

In short, anything less than 100% equalization - i.e., the Greenwich level - may not satisfy the courts. And even if aid is funded at the 100% level in the first year, the amount of money in the state treasury in subsequent years would have to grow or decline according to local spending desires.

These technical problems associated with the property tax and with cost estimation are well known and often discussed. But not often considered are the substantive or broader range considerations. This is particularly unfortunate, since in the long-term, it is these substantive questions which are likely to loom larger.

The value laden questions, like the technical ones, span both the expenditure and tax side. On the expenditure side, one question is this. Should the state pay a fixed percentage of any amount each town wants to spend? Or should the state impose upper and lower limits on taxing and school spending?

The three school finance study commissions in Connecticut have answered "yes", to the first question and "no" to the second.

No doubt this decision was due to Connecticut's political history as a bastion of "local control". But the type of local control advocated in the commissions' proposals is quite different from the type which is traditional in Connecticut. The new type advocates state financial participation where the extent of that participation depends on purely local political decision-making. At the present the state's financial role is fixed, purely local political decisions have nothing to do with how much general purpose aid the town receives.

For those who believe that state school spending should not depend on purely local decisions, there are other plans. But these too have their drawbacks. Local spending must be sharply controlled or eliminated entirely, with the state paying the entire cost.

The second substantive consideration deals with taxes: an ingredient simmering just beneath the surface of the school finance caldron. The general thrust of all the reform proposals is to reduce reliance on the local property tax and replace that tax with other revenue sources.

The alternative most frequently mentioned is the personal income tax. While this alternative is sound in most respects, it is not politically feasible at this time.

CONCLUSION

Nothing works perfectly, but clearly the most imperfect of all the school financing plans is the plan Connecticut now has. In one respect we in Connecticut are in a very fortunate position: almost any new financing plan is likely to be an improvement.

In recent years Connecticut has had three commissions studying school finance from three very different philosophical perspectives. All commissions made essentially the same recommendation.

The plans proposed still contain some difficulties, and the intention of this paper has been to point out some of the questions which have yet to be resolved. But without money no plan can move forward. The major unresolved problem, then, is not how to spend the money. The problems is how to raise the money.

The future is likely to see school finance reformers redirecting their attention from spending to the unmet issue: fair and equitable taxation.

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4. see Elwood P. Cubberley. School Funds and Their Apportionment. New York: Teachers College, Columbia University, 1906, and Henry C. Morrison. School Revenue. Chicago: University of Chicago Press, 1930.

   It is interesting to note that Cubberley's study, often cited as the first formal study of school finance ever undertaken, dealt with Connecticut among other states. Cubberley described the situation in Windam County about 1905. "...the Town of Ashford, with a tax of 4.03 mills, in addition to state aid received, was able to pay its seven teachers an average of only $19.04 per month and maintain its schools only 154 1/4 days, while the town of Putnam, on practically the same rate of local tax (4.05 mills), was able to spend a half more per year on each pupil; to maintain its schools 180 days each; pay four men teachers an average monthly salary of $85.61 and eighteen women teachers an average monthly salary of $40.92..."

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9. Serrano v. Priest, 487 P. 2d 1241 (1971); Robinson v. Cahill 303 A. 2d 273 (1974).

10. This principle is explained in detail in John E. Coons, William H. Clune and Stephen D. Sugarman, Private Wealth and Public Education. Cambridge, Ma.: Belknap Press of Harvard University Press, 1970.

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